Veterans Benefits Administration Compensation Claims Processing

By:

Cadet Kurt Bujewski

Cadet Matthew McClary

Cadet Joseph Van Dusen

Cadet Raymond Vetter

Advisors:

Lieutenant Colonel Dan McCarthy

Major Julia Oh

Report Documentation Page

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Purpose

To provide an understanding of our findings and foster idea generation using value focused thinking, process modeling, and functional analysis techniques

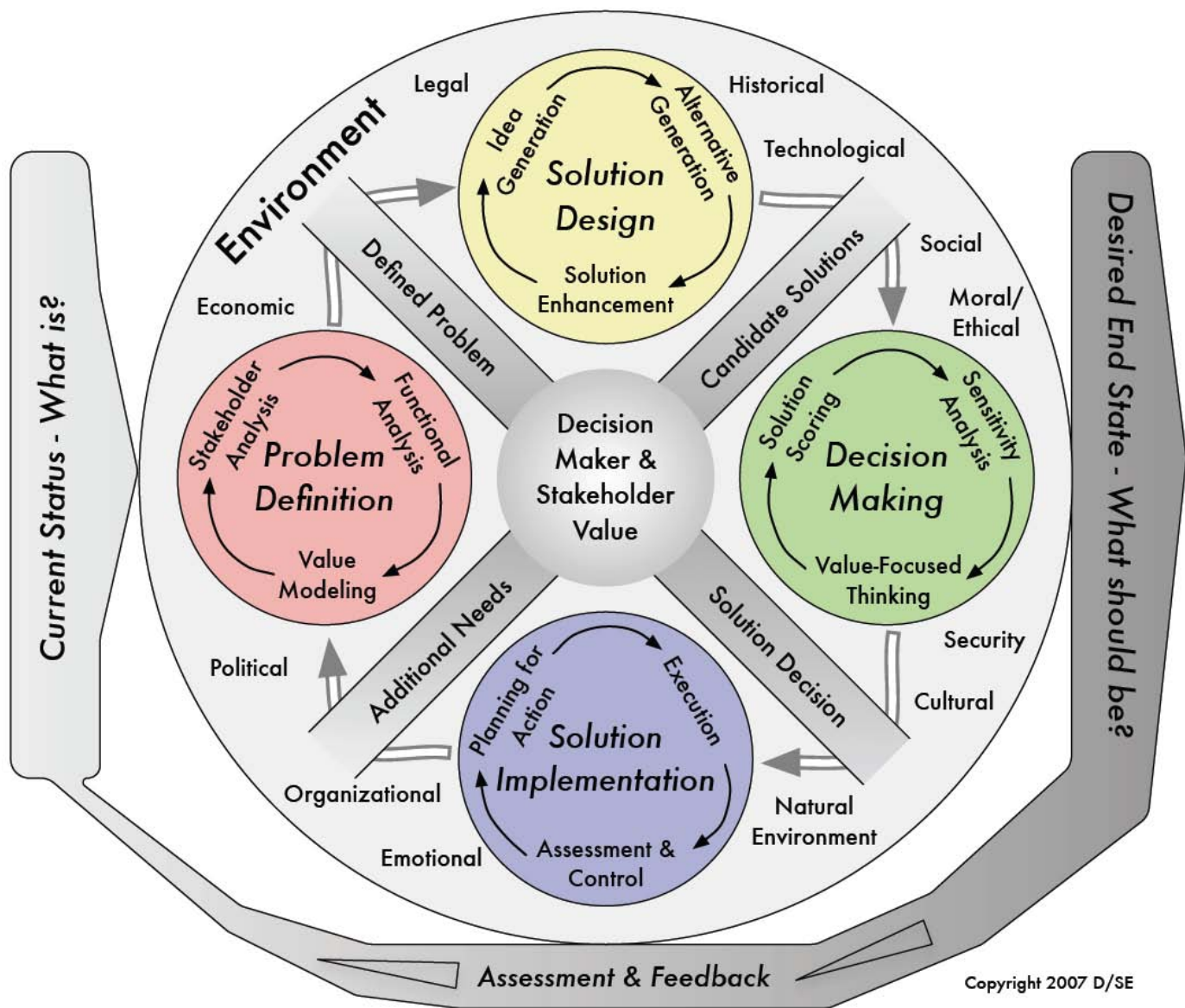*CDT Matthew McClary. Department of Systems Engineering. Matthew.Mcclary@usma.edu*

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Agenda

1. **Stakeholder Analysis**
2. **Problem Statement**
3. **Value Hierarchy**
4. **Claims Processing Phases**
5. **Idea Generation**
6. **Questions/Guidance**

CDT Matthew McClary. Department of Systems Engineering. Matthew.Mcclary@usma.edu
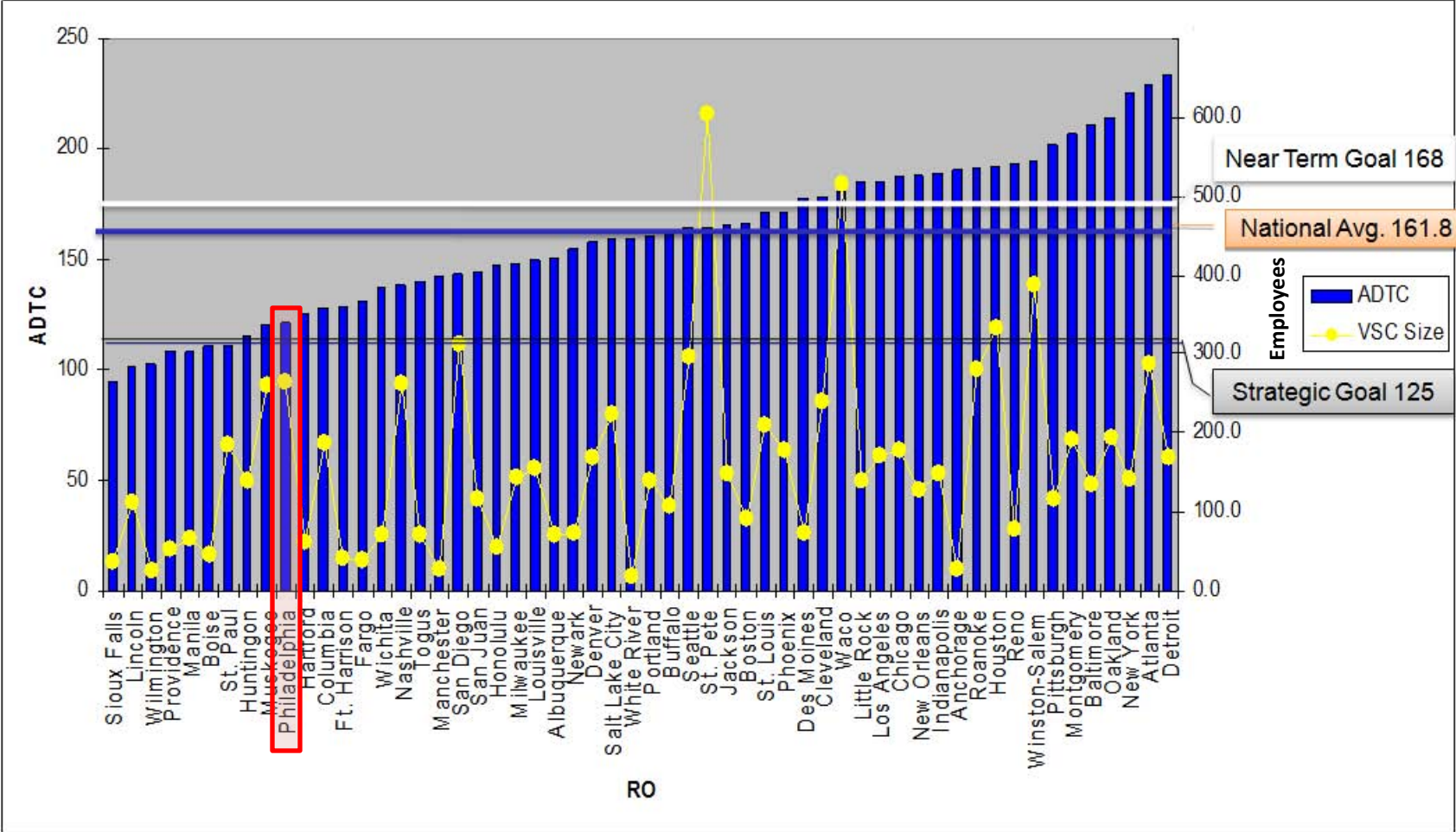
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Systems Decision Process: The SDP encapsulates the dynamic flow of system engineering activities and the evolution of the system state, starting with the current status (what is) and ending with a system that successfully delivers value to system stakeholders (what should be).

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Decision Making in Systems Engineering and Management. Ed. Gregory Parnell, Patrick Driscoll, Dale Henderson. Hoboken, New Jersey: Wiley-Interscience, 2008.

Service Center Processing Times

CDT Matthew McClary. Department of Systems Engineering. Matthew.Mcclary@usma.edu

Source: Briefing from RDML(R) Dunne, *Claims Process Observations, 22 September 2009.*

Stakeholder Analysis

Findings *"What"*	Conclusions *"So what"*	Recommendations *"Now what"*
ASPEN system focuses VSRs on gaining points	Misguided incentive, should focus on completing claims	Update ASPEN point system to focus VSRs on completing claims more timely rather than "work for points"
Terminal Digit system used to assign claims to VSRs	"Cross-loading" occurs only when ASPEN point minimums are not met	Better inform claimant of rights and ability to waive development period to expedite processing time
Development/post team time increased because of failure to waive 30 day wait period	Adds to total claims processing time although no value added	Reevaluate wait time needed before rating a claim
Claim review wait period arbitrarily set at 10-17 days	Workers wait to complete ratings until deadline approaches to complete claims	Train VSRs in specific claim types to improve processing accuracy, consistency, and timeliness
No specialization for VSRs in post team	Longer processing time because VSRs do not understand claims as well	Assign work based on capability of workers rather than point requirement

Key Stakeholders:
1. Rear Admiral (R) Patrick Dunne-Undersecretary for Benefits
2. Tom Lastowka-Director, Philadelphia VA Regional Office and Insurance Center
3. Team Coaches and VBA employees
4. Veterans who qualify for compensation

Problem Definition

VBA seeks to improve their claims process over the next 1-2 years in order to address the approximate 125,000 outstanding claims by concentrating on time, accuracy, and consistency while improving claimant satisfaction.

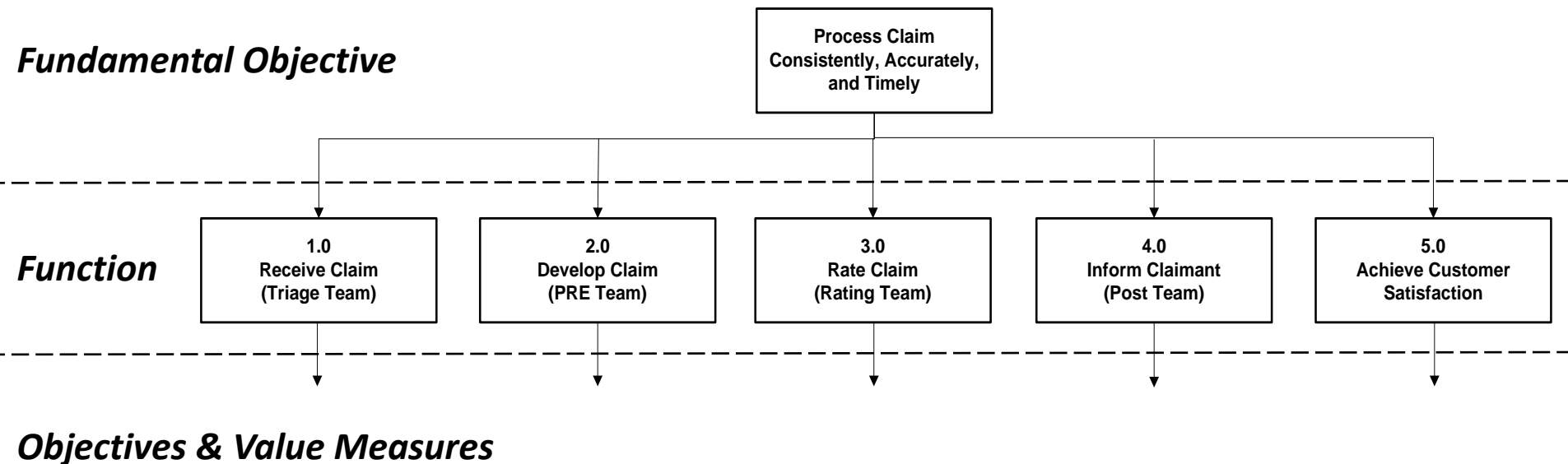*"Must focus on timeliness, accuracy, and consistency to the customer"*

-RDML(R) Dunne

"VA needs bold change"

-Army Times (2 November 2009)

Value Hierarchy: Holistic description of the Stakeholder's qualitative values

Fundamental Objective

```
                    ┌─────────────────────┐
                    │   Process Claim      │
                    │ Consistently, Accurately,│
                    │   and Timely         │
                    └─────────────────────┘
```

Function

| 1.0 Receive Claim (Triage Team) | 2.0 Develop Claim (PRE Team) | 3.0 Rate Claim (Rating Team) | 4.0 Inform Claimant (Post Team) | 5.0 Achieve Customer Satisfaction |

Objectives & Value Measures

The **Value Hierarchy** allows us to measure the value of the system by decomposing the system into five functions.

CDT Kurt Bujewski. Department of Systems Engineering. Kurt.Bujewski@usma.edu

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Triage

Function

```
1.0
Receive & Control Claim
(Triage Team)
```

Objectives

```
1.1                    1.2
Minimize Time          Minimize Error
```

Value Measures

```
1.1.1                          1.2.1
Time Spent at Triage Team      Percentage of Reworked
(hrs)                          Claims From Triage
                               (%)
```

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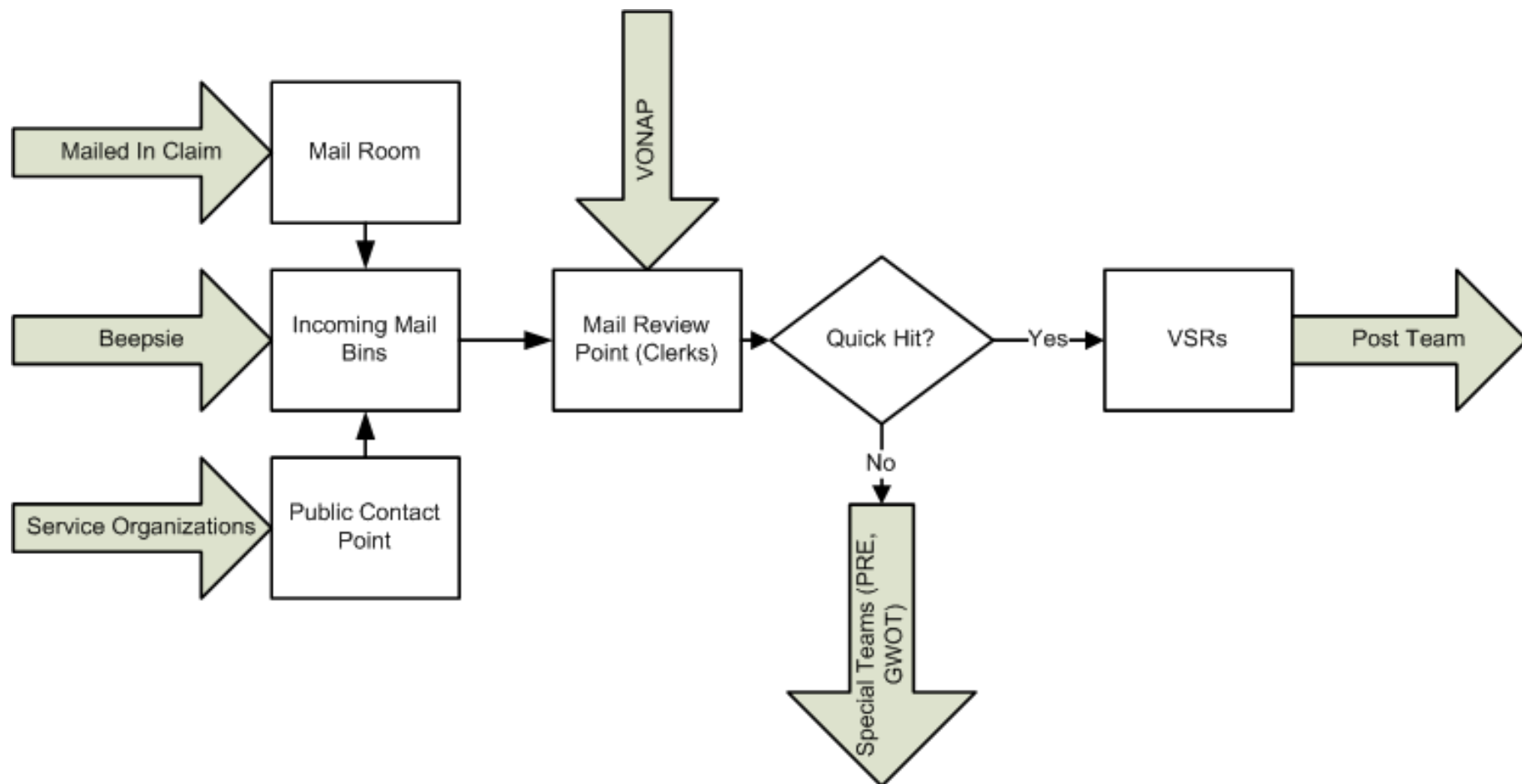
Triage

Triage

Triage Team		
Task	**Current Duration**	**Key Issues/Mistakes**
Claim Arrives in Mail Room	N/A	
Claim is brought up to Triage Team	N/A	Done twice a day at 1030 and 1400
Mail is sorted into incoming baskets	5 min	
Mail is picked up by clerks to be "CEST'ed"	1 min	Pick up claims based on claiment's social security #
Clerk Updates databases	5 min	
Clerk creates folder for claim	2 min	
Clerk Places Claim on cart	1 min	
Wait	2min -4hrs	depends on number in pile
Clerk delivers claims to outgoing locations	10 min	

Most time at Triage is spent in the Mail Room when the Triage team does not have "control" of the claim. When the claim is in the Triage team's "control" it quickly moves through the system.

CDT Kurt Bujewski. Department of Systems Engineering. Kurt.Bujewski@usma.edu

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Pre Determination

Function

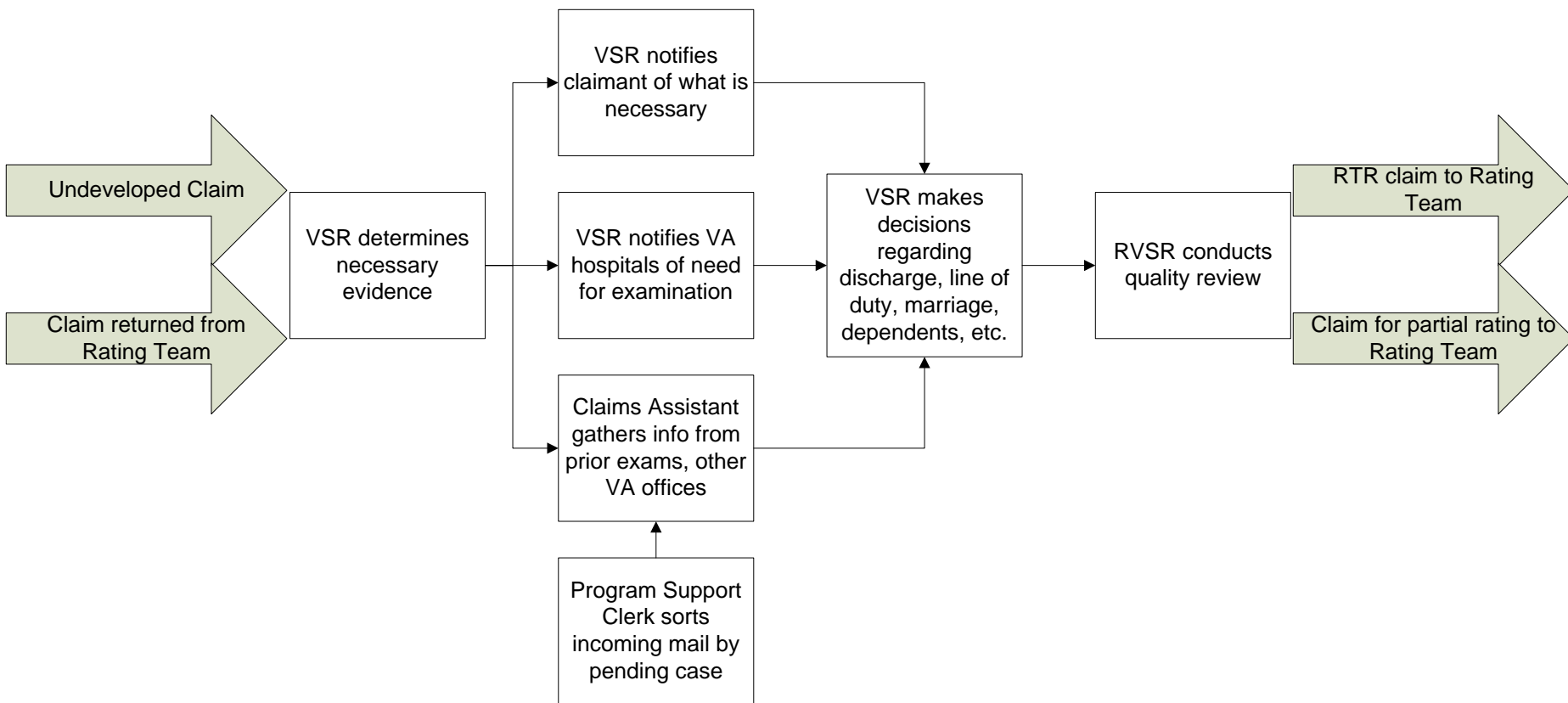**2.0 Develop Claim (PRE Team)**

Objectives

2.1 Minimize Error

2.2 Minimize Time

Value Measures

2.1.1 Percentage of Reworked Claims From Rating (%)

2.2.1 Time Spent at PRE Team (days)

CDT Joseph Van Dusen. Department of Systems Engineering. Joseph.Vandusen@usma.edu

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Pre Determination

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Pre Determination

Pre-Determination Team		
Task	**Current Duration**	**Key Issues/Mistakes**
VSR gathers incoming claims from incoming table	5 min	Done once per day
VSR prints spreadsheet telling which claims approaching deadline	5 min	Done every Monday
VSR initiates development on claim		Wait until the last minute
Claim scannedinto MAPD/Information Input	10 min	
COVERS program updated	5 min	
Letter prepared and sent to claimant	20 min - 2 hr	Letter is very long and detailed, Claimant not properly informed on waiving 30 day mandatory period
CAPRI System updated (Automatically requests medical exams/information)	20 min	
Wait (Claimant to gather information)		Claimant unaware of ability to waive 30 day wait period
If all information gathered - Update COVERS and move claim to rating tables	1 hr	
If all information not gathered - Second letter sent to claimant	20 min-2 hr	
Wait (Claimant to gather information)		
If time expires, claim moved to rating table as is, COVERS updated	1 hr	Claim may be returned due to incompletion
**ASPEN updated after each activity	5 min	

The majority of time is spent awaiting initiation of development and needed information (Medical records, New medical exams, and failure to waive thirty day wait period).

CDT Joseph Van Dusen. Department of Systems Engineering. Joseph.Vandusen@usma.edu

Rating

Function

3.0
Rate Claim
(Rating Team)

Objectives

3.1
Maximize Consistency
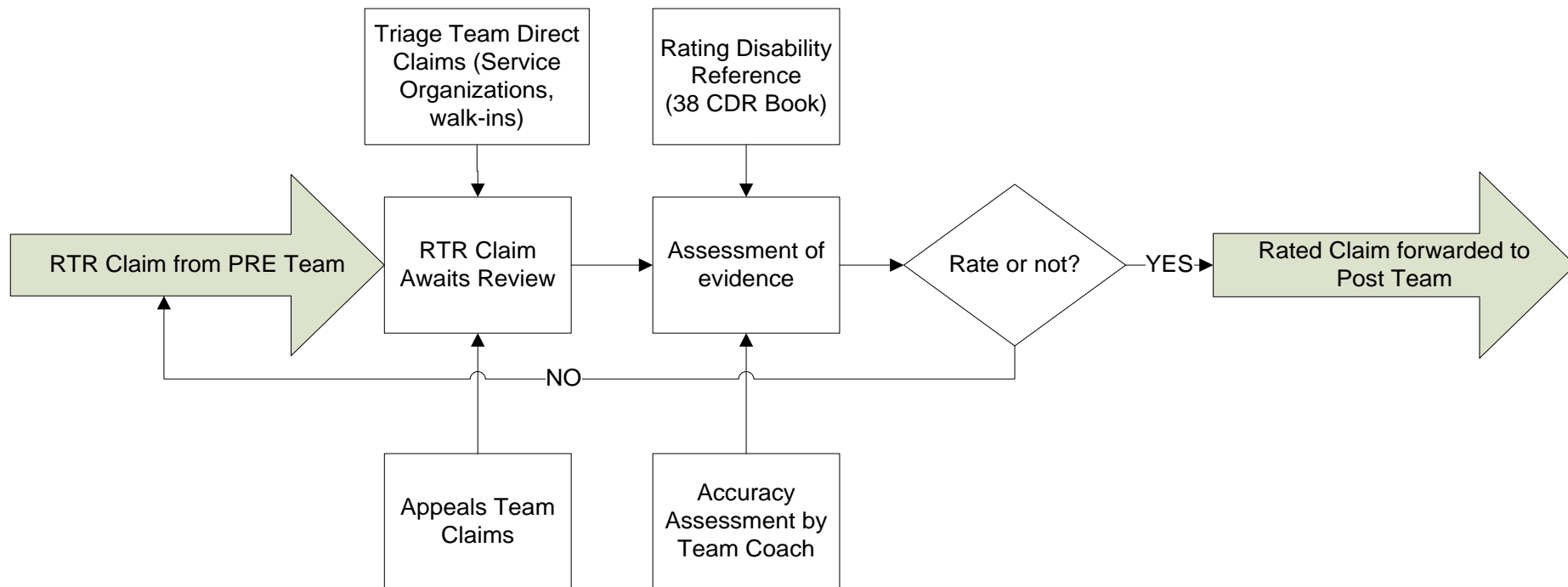
3.2
Minimize Decision Time

Value Measures

3.1.1
Team Coach Accuracy Rating
(%)

3.2.1
Time Spent at Rating Team
(hrs)

Rating

Rating

Rating Team		
Task	Current Duration	Key Issues/Mistakes
Rating Team receives RTR claim from Triage or Post teams		
RVSR receives claim based on TD or category		RVSR's with specialized training
Wait for claim review	10-17 days	10 day requirement recently reduced from 17
RVSR reviews claim	1.5-4 hrs	Based on a 3.5 claim daily average
RVSR rates claim or returns to PRE team	30 min	
RVSR delivers claim to Post team	5 min	Prints blue sheet and hand delivers to worktable

During the rating process, time spent awaiting review has the highest potential for improvement.

CDT Matthew Mcclary. Department of Systems Engineering. Matthew.Mcclary@usma.edu

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Post Determination

Function

| 4.0 |
| Inform Claimant |
| (Post Team) |

Objectives

| 4.1 | 4.2 |
| Minimize Error | Minimize Decision Time |

Value Measures

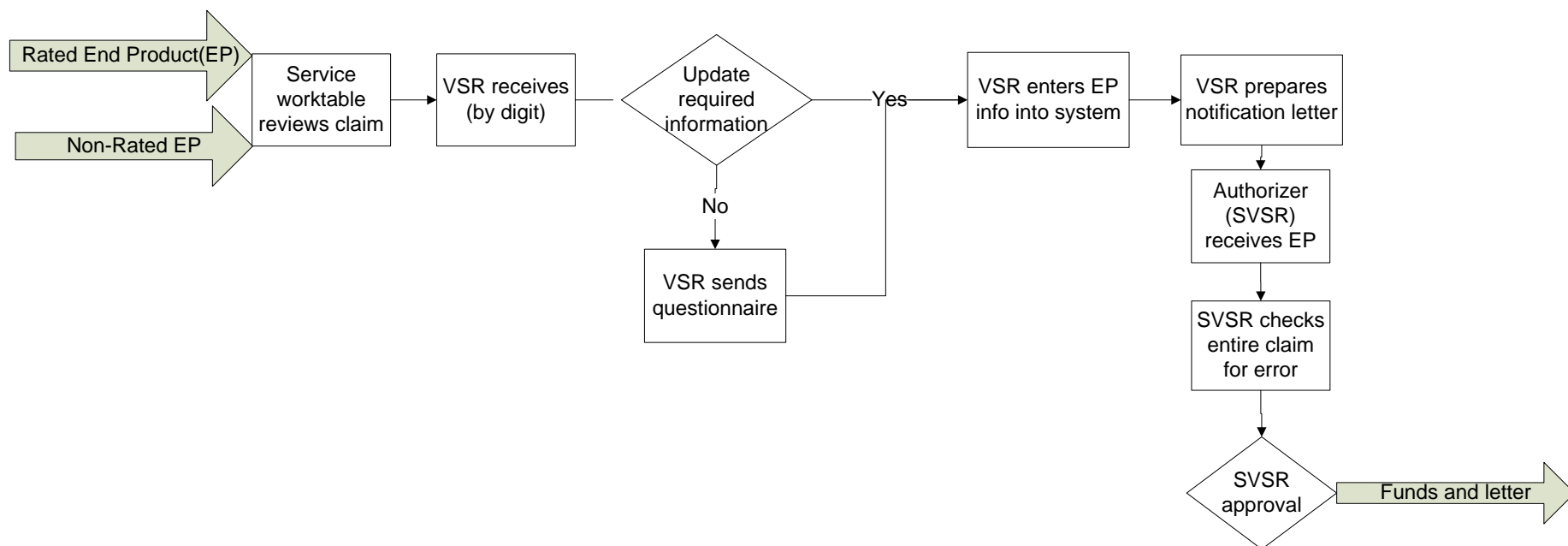| 4.1.1 | 4.2.1 | 4.2.2 |
| Percentage of Claims Inaccurately Processed (%) | Number of Claims Exceeding Review Limit (#) | Time Spent at Post Team (hrs) |

CDT Raymond Vetter. Department of Systems Engineering. Raymond.Vetter@usma.edu

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Post Determination

CDT Raymond Vetter. Department of Systems Engineering. Raymond.Vetter@usma.edu

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Post Determination

Post Team		
Task	**Current Duration**	**Key Issues/Mistakes**
Service worktable receives rating decision	2 hr	
VSR receives claim based on TD	15 min	No specialization of claim types
Wait	Varies, 1 h to 5 days	Wait depends on claim type (ASPEN system)
VSR sends request for updated/necessary information	30 min	Better system to request info (earlier in process)
Wait	30 days	Waive right to 30 days
VSR enters claim information into system	20-70 min	No specialization of claim types
VSR prepares notification letter	20 min	
SVSR receives notification letter and claim	10 min	
Wait	4-5 days	Lack of SVSRs on team
SVSR reviews notification letter and claim	30 min	
SVSR approves notification letter	5 min	
SVSR approves release of funds and letter	5 min	

Significant time is spent since the VSRs do not specialize on specific claim types. The lack of SVSRs in the post team can also contribute to wait times.

CDT Raymond Vetter. Department of Systems Engineering. Raymond.Vetter@usma.edu

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Customer Satisfaction

Function

```
5.0
Achieve Customer
Satisfaction
```

Objectives

```
5.1                          5.2
Minimize Overall Time        Maximize Claimant
                             Satisfaction Rating
```

Value Measures

```
5.1.1                        5.2.1
Time From Date Stamp to      Survey Point Score
Post Team Approval           (#)
(days)
```
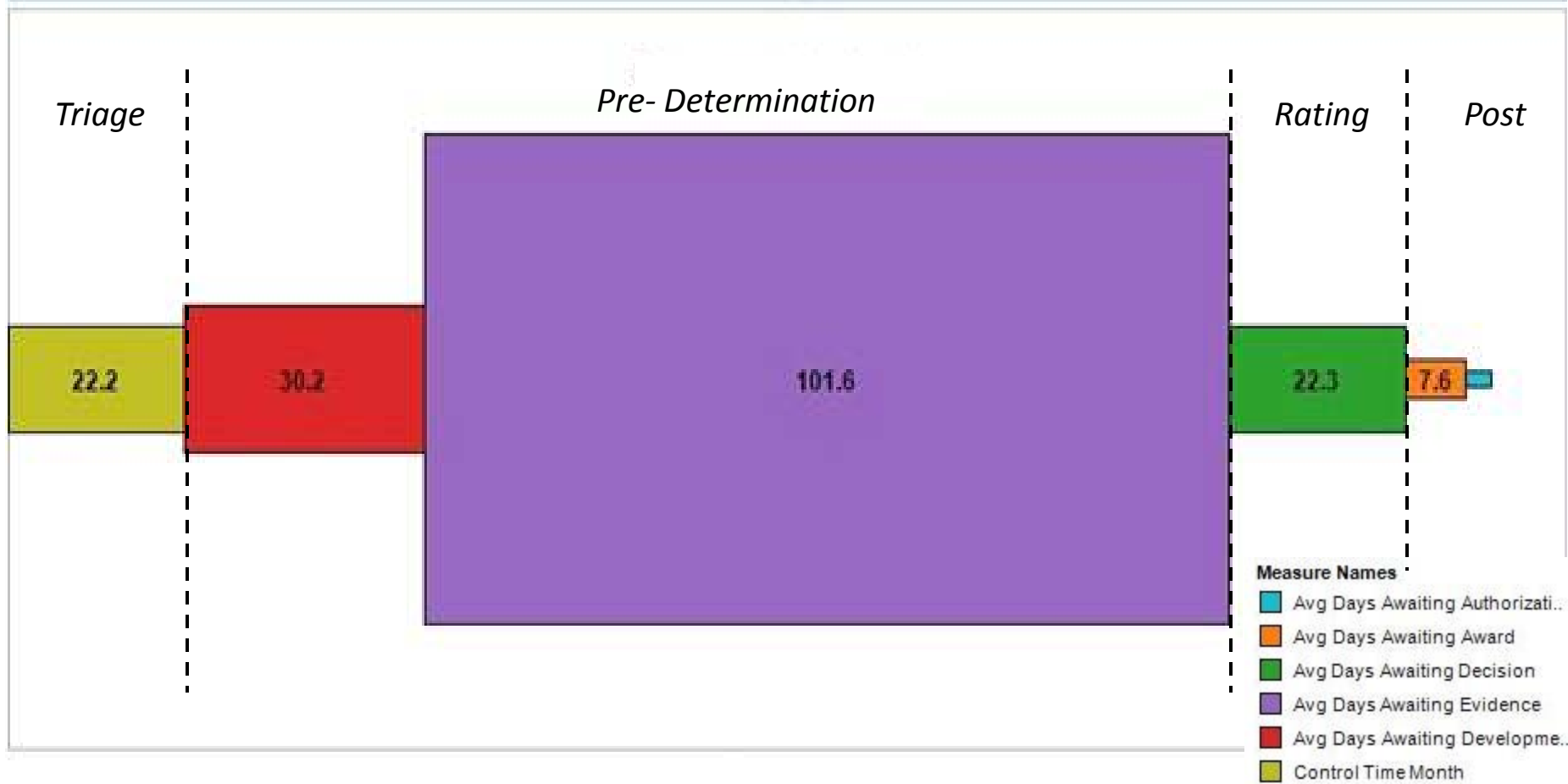
Claims Process Cycle Times

FY 2009 Rating Cycle Times

Triage — 22.2

Pre- Determination — 30.2, 101.6

Rating — 22.3

Post — 7.6

Measure Names
- Avg Days Awaiting Authorizati..
- Avg Days Awaiting Award
- Avg Days Awaiting Decision
- Avg Days Awaiting Evidence
- Avg Days Awaiting Developme..
- Control Time Month

CDT Joseph Van Dusen. Department of Systems Engineering. Joseph.Vandusen@usma.edu

Source: Briefing from RDML(R) Dunne, *Claims Process Observations, 22 September 2009.*

Idea Generation

Internal Improvements (Focus on the Claimant):

1. Inform claimants of waiving wait period (Email/phone calls)

2. Advertise reduced process times when claimants fulfill a detailed list of requirements

3. Create a phone queue in which VSRs call claimants to inform them of pending information

Internal Improvements (Focus on the VSRs):

1. Refocus performance measures to align with goals

2. Rotate RVSRs through every team in the process

3. Employ a Medical Doctor for consultation by Rating and PRE Teams

CDT Matthew Mcclary. Department of Systems Engineering. Matthew.Mcclary@usma.edu

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External Improvements (Focus on VA Hospitals):

1. Prioritize VA Hospital appointments based on age of claim or severity of disability

2. Encourage VA hospitals to reach out to claimants

3. Improve communication between VA hospitals and VBA

CDT Matthew Mcclary. Department of Systems Engineering. Matthew.Mcclary@usma.edu

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Idea Generation

External Improvements (Focus on Processing):

1. Create an online tracking system so claimants can monitor their claim progress and VBA can disseminate developmental requirements

2. Electronic Input System (Turbo VA)

3. Utilize Service Organizations to develop claims prior to arrival at VA offices

Questions